



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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Cache Valley Bank, Logan, Utah, Assumes Deposits of SunFirst Bank, Saint George, Utah

SunFirst Bank, Saint George, Utah, was closed today by the Utah Department of Financial Institutions, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Cache Valley Bank, Logan, Utah, to assume most of the deposits of SunFirst Bank. The FDIC will retain approximately \$15 million in deposits that may be subject to external litigation involving SunFirst Bank. The affected accounts were frozen prior to the failure of the bank. All other accounts were transferred to Cache Valley Bank.

The three branches of SunFirst Bank will reopen during their normal business hours beginning Saturday as branches of Cache Valley Bank. Depositors of SunFirst Bank will automatically become depositors of Cache Valley Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of SunFirst Bank should continue to use their existing branch until they receive notice from Cache Valley Bank that it has completed systems changes to allow other Cache Valley Bank branches to process their accounts as well.

This evening and over the weekend, depositors of SunFirst Bank whose accounts were assumed by Cache Valley Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on those accounts will continue to be processed. Loan customers should continue to make their payments as usual.

As of September 30, 2011, SunFirst Bank had approximately \$198.1 million in total assets and \$169.1 million in total deposits. In addition to assuming deposits of the failed



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-177-2011

bank, Cache Valley Bank agreed to purchase approximately \$177.3 million of the failed bank's assets. The FDIC will retain the balance of the assets for later disposition.

The FDIC and Cache Valley Bank entered into a loss-share transaction on \$128.9 million of SunFirst Bank's assets. Cache Valley Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit:

<http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-895-0643. The phone number will be operational this evening until 9:00 p.m., Mountain Daylight and (MDT); on Saturday from 9:00 a.m. to 6:00 p.m., MDT; on Sunday from noon to 6:00 p.m., Mountain Standard Time (MST); on Monday from 8 a.m. to 8 p.m., MST; and thereafter from 9:00 a.m. to 5:00 p.m., MST. Interested parties also can visit the FDIC's Web site at

<http://www.fdic.gov/bank/individual/failed/sunfirst.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$49.7 million. Compared to other alternatives, Cache Valley Bank's acquisition was the least costly resolution for the FDIC's DIF. SunFirst Bank is the 87th FDIC-insured institution to fail in the nation this year, and the first in Utah. The last FDIC-insured institution closed in the state was Advanta Bank Corp., Draper, on March 19, 2010.
